UNDP

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PROGRAMME

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ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF
BURUNDI
(BDI/87/C06) - Development of Karuzi and Cankuzo Secondary Centers
IPF:(1992-96) $38 165 000

Date of approval by the AC:[1/]	8 September 1993
Expected duration:	Four years
Proposed executing agency:	UNCHS
Government implementing agency:	Ministry of Public Works and Urban Development
Proposed UNDP contribution:	$3 462 000 Source of funds: General Resources
Government cost sharing:	$ 306 100
Total UNDP budget:	$3 768 100

Project background

The majority (92.7 percent) of the population of Burundi (5.458 million) inhabits rural areas and makes a living from agriculture. Rapid population growth (3 percent) has led to the fragmentation of agricultural land into very small farms, and to an increasing deterioration of the ecosystem. It is estimated that, by the year 2000, total population will have jumped from 5,382,000 to 6,000,000, and that the urban population would then represent 17.6 percent, as compared to a present 7.3 percent. Furthermore, 585,000 of those living still in rural areas would be unable to find work in the agricultural sector; and 66 percent of the latter would not be absorbed by the urban centers presently in existence,. In this context, the Government's goal is to develop settlement capacity and employment opportunities in secondary centers. To this end, an urban development policy was adopted in 1986 which aims to provide secondary centers with infrastructure and equipment, enabling the development of non-agricultural activities and population settlement.

Description of project

The immediate objective of the project is to support the transformation of secondary centers Karuzi and Cankuzo into urbanized regional development poles which will absorb rural migrants and provide support services to the rural world. It will comprise four components: (i) construction of infrastructure (roads and electrification); (ii) construction and equipment of buildings in support of economic and administrative activities (markets, slaughterhouses, centers for the promotion of small entrepreneurs, a salt block production plant, municipal office, garage and workshop) together with the setting up of operation and management systems; (iii) credit for the construction of houses and workshops and for the procurement of artisanal equipment; and (iv) support for self-promotion initiatives.

[1/] This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.

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Inputs

UNCDF will finance the extension of the public lighting network in Cankuzo, the construction of roads and buildings as well as demonstration houses in both centers; the purchase of equipment for such buildings, for road maintenance and for the UNDP-supported project unit; a subcontract with a local NGO for the management of centers for promotion of small entrepreneurs; guarantee funds supporting a local credit network; a fund for self-promotion initiatives as well as the subcontracting of an NGO responsible for its operation; and a series of studies on womens' participation in the economic development induced by the project.

UNDP will cover the cost of technical assistance (a CTA for 24 work-months and a road engineer for 12 work-months), a UNV road engineer and (specialized consultants for 24 work-months); studies on local Government financing systems and on the development of the craft industry; and training in urban and municipal management.

The Government will finance the national project team salaries; and office equipment Parallel funding will be provided by Belgium (a road engineer 12 work-months), France (public lighting in Karuzi) and Germany (water supply in both centers).

Financial data

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Contingencies	266 600
Subcontract	1 016 900
Infrastructure	572 600
Equipment	945 000
Miscellaneous	246 600
Support costs	255 900
Total	3 462 000

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